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WEEKLY GRAIN COMMENTARY

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Wheat prices hit new highs this week with the front-month Sep futures hitting \$7.41. Tightening global supplies and strong export sales kept traders in a bullish mood. Statistics Canada released their estimate of the Canadian wheat 2007/2008 crop at 20.322 million tonnes. This is almost 20 percent below last year’s harvest and down from the USDA August estimate of 21.5 million tonnes. Analysts were expecting a production estimate between 20.8 and 22.7 million tonnes. U.S. wheat exports were also bullish, as USDA reported sales of just over 1 million tones fell right in the middle of the 700,000 to 1.3 million ton expected range. In the corn market, weekly export sales were a combined 1,108,800t which was considered supportive as it was on the high end of trade expectations. Year-to-date sales are currently 2.210 billion or 110 million above the USDA projection and shipments need to average approximately 37 million bushels per week over the next couple of weeks that would appear to be no problem obtaining. Soybean sales were about double what the high end of trade estimates were expecting with combined sales totaling 957,800 MT compared to estimates ranging from 250,000 to 500,000 MT. With the beans up 30-cents for the week, there could some profit ahead of the weekend as traders await ProFarmer’s yield and production estimates from their crop tour.

	Corn Basis		Soybean Basis		Wheat Basis	
Location	Nearby	Forward	Nearby	Forward	Nearby	Forward
WMD	+58		-52		-99	
CMD	+40	-13	-40	-75	-83	
SMD	+22	-24	-60	-56		
UES	+22	-10	-45	-45	-101	
LES	+38	+1	-25	-27	-112	

CASH GRAINS – REGIONAL – (\$/bu) DEALERS AVERAGE CASH QUOTES

Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	08/14	08/21	08/14	08/21	08/14	08/21	08/14	08/21
Western, MD	4.00	4.05	7.96	7.79	5.73	6.10	2.93	2.90
Central, MD	3.68	3.87	8.10	7.91	6.10	6.36	----	----
Southern, MD	3.58	3.69	7.96	7.71	----	----	----	----
Upper E. Shore	3.58	3.69	8.11	7.86	6.08	6.07	----	----
Lower E. Shore	3.71	3.85	8.27	8.06	6.08	6.07	2.65	2.65
Soybean Meal			Lower Eastern Shore			Dealer’s Average Cash Quotes (\$/ton)		
Date	08/14		08/21		Date	08/14	08/21	
48% Soybean Meal	265.00		252.40		44% Soybean Meal	253.00	240.40	

FORWARD CONTRACT PRICE – REGIONAL (\$/bu) for Harvest Delivery Dealer’s Avg. Quotes

Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	08/14	08/21	08/14	08/21	08/14	08/21	08/14	08/21
Western MD	----	----	----	----	----	----	----	----
Central MD	3.28	3.51	7.91	7.72	5.66	5.79	----	----
Southern MD	3.30	3.40	8.26	7.91	5.20	5.11	2.64	2.69
Upper E Shore	3.44	3.54	8.36	8.01	5.25	5.16	2.64	2.69
Lower E Shore	3.52	3.65	8.51	8.20	5.23	5.14	2.64	2.69

GRAIN FUTURES – Chicago Board of Trade (Cents & Quarter – cents/bushel) Settle – August 22, 2007

Corn		Soybeans		Wheat		Soybean Meal ^{1/}	
07Sep	347’4	07Sep	831’2	07Sep	718’4	07Sep	229’2
07Dec	364’2	07Nov	847’0	07Dec	731’6	07Oct	232’2
08Mar	379’0	08Jan	861’6	08Mar	729’2	07Dec	236’6
08May	386’4	08Mar	872’0	08May	686’4	08Jan	238’5
08Jul	396’2	08May	880’0	08Jul	590’0	08Mar	241’5
08Sep	396’4	08Jul	889’4	08Sep	590’4	08May	243’6

1/ Price Unit: Dollars and cents/ton (100 tons (2,000 lbs/ton))

HAY AND STRAW

New Holland, PA - \$/ton – August 20, 2007

Alfalfa	Mixed Hay	Timothy	Orchard grass	Straw
145.00 - 270.00	115.00 - 240.00	225.00 - 240.00	200.00	120.00 - 175.00

Westminster, MD - \$/bale – August 14, 2007

Alfalfa	Alfalfa Mix	Timothy	Timothy Mix	Grass Mix	Straw
3.70 -7.00	5.20 - 7.60	3.00 - 6.90	2.70 - 4.60	2.70 - 6.90	1.00 - 2.20

POULTRY									
Negotiated price for truck lot of ready-to-cook, ice-pack, Grade A Fryers (\$ per CWT) – Week Ending – August 25, 2007									
		Current Week		Prev. Week		Prev. Month		Prev. Year	
N.Y. Weighted Avg.		76.81		73.05		80.50		64.96	
12 City Composite		79.97		77.88		81.24		69.04	
SHEEP & LAMBS - Westminster, MD – August 21, 2007 - \$/cwt									
Sheep		45.00 - 55.00		Lambs		50 - 80 lbs		80.00 - 110.00	
Too Fat		25.00 - 33.00				90 - 130 lbs		92.50 - 110.00	
						Feeders		30.00 - 70.00	
TERMINAL MARKETS HOGS – August 23, 2007				DIRECT MARKET HOGS – Westminster, MD – August 21, 2007					
Base Price Range		Carcass Basis		Weighted		Butcher Hogs		Boars	
a.m.		Base 185 lb Hog		Average		#1 215-275 lbs		44.00 - 47.00	
Heavy Weights		61.50 - 66.99		63.12		Heavy Weights		32.00 - 44.00	
Light Weights		58.50 - 67.00		65.39		Sows			
Sows (cont.)						Heavy Weights		32.50 - 35.00	
Thin or Wet						Light Weights		25.00 - 30.00	
Market Hogs - Millsboro, DE - August 14, 2007 - dollars/cwt								42.00 - 44.00	
Next sale date – September 11, 2007									
FEEDER PIGS – (\$/CWT) – Gumboro, DE August 14, 2007								Next sale date – September 11, 2007	
Head: 238									
Under 30 lbs		40.00 - 135.00				40 - 49 lbs		50.00 - 100.00	
30 - 39 lbs		40.00 - 110.00				50 - 59 lbs		74.00 - 80.00	
						60 - 69 lbs		60.00	
CHICAGO MERCANTILE EXCHANGE -\$/cwt) – August 22, 2007									
CATTLE –LIVE FUTURES				HOGS-LEAN FUTURES					
AUG07		92.28		FEB08		99.13		OCT07	
67.80		APR08		70.20		OCT07		67.30	
MAY08		74.38		DEC07		67.30		MAY08	
JUN08		76.10		FEB08		69.38		JUN08	
STOCKER – FEEDER CATTLE – (\$/cwt)									
Winchester, VA – August 20, 2007				Westminster, MD – August 21, 2007					
Steers		300 - 400 lbs		116.00 - 129.00		Steers		600 - 700 lbs	
		400 - 500 lbs		110.00 - 121.00					
		500 - 600 lbs		102.00 - 119.50					
		600 - 700 lbs		104.00 - 114.00					
		700 - 800 lbs		103.50 - 106.50					
		800 - 900 lbs		96.00 - 103.50		Heifers		200 - 300 lbs	
Heifers		300 - 400 lbs		113.75 - 118.00				400 - 500 lbs	
		400 - 500 lbs		100.00 - 113.75				800 -1000 lbs	
		500 - 600 lbs		97.00 - 116.00					
		600 - 700 lbs		93.00 - 104.75					
		700 - 800 lbs		90.50 - 92.50					
SLAUGHTER CATTLE (\$/cwt)									
Westminster, MD – August 21, 2007									
Sltr. Cows						Fed Heifers			
Breakers		56.50 - 63.75				Choice		85.00 - 89.50	
Boners		50.00 - 56.00				Select		78.50 - 84.00	
Thin/Slow		49.50 & Down				Holsteins		60.00 - 68.25	
						Hols. Bull Calves #1		90.00 -107.50	
						#2		70.00 - 85.00	
Fed Steers						Culls		30.00 - 65.00	
Choice & Prime		87.75 - 91.50				Jerseys		15.00 - 30.00	
Low Choice		86.25 - 87.50							
Holsteins		72.00 - 80.50				Heifers			
						Jersey Cross		340.00	
Lancaster, New Holland & Vintage – August 23, 2007									
Sltr. Steers:						Sltr. Heifers:			
Hi Ch & Pr 2-4		1200 -1480 lbs		91.00 - 93.00		Ch & Pr 2-3		1130 -1405 lbs	
		1500 -1590 lbs		86.00 - 90.50		Low dress		81.00 - 84.50	
YG 4-5				86.00 - 90.00					
Choice 2- 3		1115 -1545 lbs		87.50 - 91.00					
Hi Sel & Lo Ch 2-3		1135 -1420 lbs		86.00 - 89.00					
Select 1-3		1065 -1360 lbs		82.00 - 86.25		Sltr. Cows:		Percent Lean	
						Premium White		65 - 75	
Hols. Steers:						Breakers		75 - 80	
Hi Ch & Pr 2-3		1380 -1575 lbs		78.00 - 82.75		Boners		80 - 85	
Choice 2-3		1315 -1550 lbs		76.00 - 78.00		Lean		88 - 90	
Hi Sel & Lo Ch 2-3		1325 -1475 lbs		70.00 - 74.00					